

IN THE NATIONAL COMPANY LAW TRIBUNAL, NEW DELHI
PRINCIPAL BENCH

ITEM No. 110
(IB)-694(PB)/2018

IN THE MATTER OF:

L & T Finance Ltd.

.... Applicant/petitioner

v.

Zillion Infraprojects Pvt. Ltd.

.... Respondent

Order under Section 7 of Insolvency & Bankruptcy Code, 2016

Order delivered on 30.04.2019

Coram:

CHIEF JUSTICE (RTD.) M. M. KUMAR
HON'BLE PRESIDENT

SH. S. K. MOHAPATRA
HON'BLE MEMBER (TECHNICAL)

PRESENT:

For the RP

For the Respondent:

Mr. Vinod Chaurasia, Adv. with Mr. Harish Taneja, RP
Mr. Krishan Kumar & Rahur Raj Mishra, Advs.

ORDER

M.M. KUMAR, PRESIDENT (Oral)

CA-524(PB)/2019

This is an application filed by Fab Tech Works and Constructions Pvt. Ltd. with a prayer for continuation of arbitration proceedings initiated by it against the corporate debtor namely Zillion Infraprojects Pvt. Ltd. The principal argument raised for continuation of the arbitration is that the arbitration proceedings are at the fag end and are likely to be concluded in few more sittings. Both the parties have lead evidence and it is at the stage of final arguments.

2. Notice of the application was issued and reply by the Resolution Professional has been filed opposing the prayer made by the applicant. In support of reply the Resolution Professional has placed reliance on Section 14 and the admission order dated 05.02.2019. In

order to provide a cool period to resolve the Insolvency of the corporate debtor the moratorium has been provided prohibiting the institution or continuation of pending suits or proceedings against the corporate debtor. If we permit the proceedings to continue then the resolution professional has to divert his attention and energies and has to incur expenses also for the continuation of the arbitration proceedings by engaging counsel and taking defence; therefore the application has been opposed.

3. Having heard Ld. Counsel for the parties we are of the considered view that no exception can be taken to the general principle laid down in Section 14 providing for moratorium and arbitration proceedings cannot be permitted to continue.

4. CA-524(PB)/2019 dismissed.

Sd/-

(M.M.KUMAR)
PRESIDENT

Sd/-

(S. K. MOHAPATRA)
MEMBER (TECHNICAL)